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BEFORE THE

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## Federal Communications Commission

WASHINGTON, D.C. 20554

In Re	)
Implementation of	)
Section 9 of the Communications Act-Assessment and Collection of Regulatory Fees for the 1994 Year	) MD Docket No. 94-19
To: The Commission	RECEIVED
10. 110 COMMISSION	JUL"1 8 1994
Petition For Reco	nsideration FEDERAL COMMUNICATIONS COMMISSION

Fant Broadcasting Company of Nebraska, Inc., licensee of parent Station KHGI, Kearney, Nebraska, and satellite stations KSNB, Superior, Nebraska, and KWNB, Hayes Center, Nebraska ("Fant"), by its attorney and pursuant to Section 1.429 of the Commission's rules, hereby respectfully petitions for partial reconsideration of the Commission's Report and Order, issued on June 8, 1994, and published in the Federal Register on June 16, 1994. In support hereof, Fant states as follows:

1. Rejecting comments by the National Association of Broadcasters ("NAB") and KBS License L.P. (KBS), the Report and Order concludes that the Commission has no authority to reduce regulatory fees for satellite television stations because Congress' fee schedule in 47 U.S.C. Section 159 does not recognize a distinction between parent and satellite stations. This reading of the statute is unnecessarily rigid and at odds with the legislative history of the law. Moreover,

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charging satellites which are the functional equivalent of high-powered translators the same fee as their parents is arbitrary and capricious, contrary to the public interest in encouraging service to rural, underserved areas, and antithetical to the purpose of the regulatory fees.

- 2. Fant's predicament vividly illustrates the unfairness of the Commission's approach.

  Fant's satellites, situated many miles from the parent station's community and Lincoln, hub of the market, serve communities of some 2,397 and 259 persons respectively. They generally originate no programming, but rather rebroadcast the schedule of parent KHGI. Neither satellite has a staff in excess of the Commission's five- person fulltime threshold for EEO regulation. Thus, neither facility requires regulatory activities or engenders regulatory costs separate and apart from the parent. Yet, the Commission's interpretation of Section 9 would require Fant to pay an astounding \$16,000— twice what its parent will pay and well in excess of the fee for a top-ten market VHF—for the privilege of extending service to rural Nebraska!
- 3. This is clearly not what Congress intended when it created a fee structure to cover the regulatory costs of communications licensing. Nothing in the legislative history of the statute addresses the issue, but this does not support the Commission's contention that Congress deliberately intended to lock in the same fees for all television stations no matter what their status or regulatory cost. Nor does Congress' no doubt inadvertent omission of any reference to the satellite fee issue signify that the Commission has no discretion to address all of the "anomalies concerning the treatment of satellite stations" now, rather than deferring action until 1995. 59

  F.R. 30093. Indeed, the Report and Order nowhere explains why the Commission has discretion to reduce satellite fees to the same amount due for a parent station, but no farther.

4. Fant's satellites have brought badly needed service to remote regions of Nebraska since 1956. Their future, and that of hundreds of other satellites in rural America, is threatened by the Commission's refusal to apply an equitable, commonsensical analysis to this issue in an area where Congress plainly neglected to act. Petitioner asks the Commission to reconsider and significantly reduce satellite fees.

Respectfully submitted,

FANT BROADCASTING COMPANY OF NEBRASKA, INC.

Howard M. Weiss

Its Attorney

FLETCHER, HEALD & HILDRETH 1700 North 17th Street 11th Floor Rosslyn, Virginia 22209

Date: July 18, 1994

## CERTIFICATE OF SERVICE

I, Rebecca Ingham, a secretary in the law firm of Fletcher, Heald & Hildreth do hereby certify that true copies of the foregoing "Petition for Reconsideration" were sent this 18th day of July, 1994, by first class United States mail, postage prepaid to the following:

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\*BY HAND DELIVERY

Rebecca Ingham